Transportation IWG: Compact and Transit Oriented Development Subgroup

Summary of Activities to Date:

The subgroup compiled information about the critical elements (necessary conditions) required for successful Compact and Transit Oriented Development (TOD) and for each critical element agreed on a description of the critical element, a description of known barriers, potential opportunities for addressing barriers, relationship of each critical element to other critical elements, and relationship of the critical elements to transportation. For those critical elements that don't have a specific transportation focus the subgroup will document key questions and considerations. For those critical elements with clear transportation connections, the subgroup focused on identifying state-wide legislative opportunities/authorities, local opportunities/ authorities, and funding considerations. The critical elements discussed below are:

- Housing and Employment Density
- Concurrency Requirements
- Complete Streets (Adequate Infrastructure)
- Parking Incentives/Management
- Bike/Pedestrian Accessibility
- Urban Brownfield Redevelopment
- Breaking up Super Blocks (compacting street grid)
- Height/Density Management
- Mixed Use

1. Housing and Employment Density

A. Legislative Opportunities and Authorities

- Extend Location Efficient Mortgage (LEM) outside of Seattle Area
  - What are LEMS? A program demonstrated in several large cities in the US it allows housing loans in excess of the typical 30% of income figure due to the proximity to transit and services that make car ownership less of a household necessity. This reflects acknowledgement of the large portion of household income used for transportation – the bulk of it for car ownership and use (nationally about 19% of income for the average household - pre-gas price increase estimate).
- Leverage Multi-Family Tax Exemption (HB 1910) – Allow use of this tool in TOD areas only (the idea would be to attract multi-family development to these priority areas) OR make sure this is available in TOD areas.
  - What is the Multi-Family Tax Exemption? This tax exemption program allows exemption from property taxes for adding 4 or more units in areas identified by local jurisdictions where higher density housing is planned. The exemption includes only the new housing portions of a project. There is an 8 year exemption for market rate housing units and a 12 year exemption when at least 20 percent of units are available for low income households (80% of area median income) and moderate income households (at or below 115% of area median income). For owner-occupied units, affordability requirements may be met by providing 20% of units affordable to moderate income households.

B. Funding Considerations

- Focus Funding to Encourage TOD
  - Transit grants on transit corridors and the TOD destinations.
    - Transit funds come from a variety of sources. Agencies could choose to focus service in and to TOD areas.
  - Fed/State Transportation grants on TOD's and transit corridors that link them

- Local jurisdictions could choose to focus grant requests in TOD's and corridors between them as much as possible given grant criteria. State grant criteria could favor TOD's and their corridors to help defray the costs of infrastructure upgrades or development in TOD's.
- Fed/State Housing Grants and Tax Credits to projects in TOD's
  - Use funds to maintain existing older housing stock – especially if in or close to TOD or corridor - since this will continue to be the most affordable housing available, Also focus available housing funds for a range of eligible incomes as much as possible in TOD's or corridors.
- Focus Washington State Housing Finance Commission grants and loans in TOD areas.
  - Same as above. New housing units for lower income households could be built where car ownership is a choice – not a necessity.
- *Key Question: Is this an optimization exercise or is more required?*

C. Local Opportunities/Authorities

- Innovate Public/Private relationships
  - What is the relationship between parking structure development and transit projects?
    - For Example: Can you 'privatize' Park & Ride by selling the P&R lots to housing developers (with restrictions to accommodate P&R)?
    - In Renton, housing was built as part of a transit center. Not sure what mechanisms were used but it appears there may be lots of opportunity public/private partnerships or agreements. Cities and developer/owners can execute developer agreements to include required elements. Is there a place to do this under the private/public statute?
- Education/Outreach to Decision Makers
  - Training for jurisdiction administrators, planners, and legal staff regarding land aggregation for TOD's in Washington State
  - Clarification and Training on concurrency options in TOD's
  - Form charrette "SWAT" teams trained to help organize and lead community "conversations" about achieving city/regional TOD goals.
    - Use emerging technologies such as Housing + Transportation Affordability Index – info can help with scenario building models to test and show trade-offs.
      - www.cnt.org/tcd/ht and htaindex.cnt.org
  - Key Question: Where does funding for this training come from?
    - These training recommendations will need a funding source. The case to be made for this is that education and taking advantage of available tools is key to acceptance and action. The fee justification is that multifamily housing in an urban setting (TOD) is going to have a lower footprint than single family housing not part of the TOD or a corridor. If these more dense areas do not emerge, most housing will be single family and result in continued car dependence, increasing VMT and continued rapid traffic growth.

2. Concurrency Requirements

A. Legislative Opportunities and Authorities

- Expressly identify in GMA that multimodal travel time between key activity centers or along key travel corridors, or the multimodal travel time between regional growth centers and the outer limits of a radius of the average regional work trip distance (currently about 10 miles) be measured as part of concurrency.
  - Supports GTEC strategy being discussed in T-1
- Expressly identify that Auto Trips should be measured and quantified to measure VMT and GHG impacts. A potential model could be an Auto Trips Generated model in lieu of the traditional intersection analysis.

  - In lightly developed, residentially oriented jurisdictions on the fringe of a metropolitan region, a suggested system would combine the need for a planned grid (redundant) street network, traditional arterial level-of-service calculations, and analysis of park-and-ride space availability.
  - For suburban jurisdictions that fall between these two extremes, the real multimodal issue is likely to be the amount of transit service that is available, rather than the performance (travel time) of that service or the arterial network. An adopted concurrency standard might be expressed something like, "LOS D for an arterial unless high frequency transit (e.g. more than six to ten buses per hour) travel is available on that roadway during the peak period, in which case the acceptable roadway standard could be LOS E." (I think we should acknowledge that LOS F is a choice for some areas where it is not possible to widen road, widening would exacerbate traffic issues and for which there is transit service, and plans for increased density, pedestrian amenity and transportation demand and system management programs.)
  - Alternatively, a jurisdiction may designate its geographic core or regional growth center with a concurrency "lite" as an LOS calculation and establish, in collaboration with the center's transportation management association (TMA), specific programs for limiting single occupant vehicle use to/from the TMA district during peak periods.
- Can concurrency requirements be relaxed to encourage local authorities and developers to make pro-TOD decisions?
  - An opportunity exists where pedestrian friendly built form and bike/ped amenity could be part of relaxing – or eliminating concurrency – or in exchange for including certain elements that support TDM in the activity center.

B. Funding Considerations
- None Discussed

C. Local Opportunities/Authorities
- Expressly require identified TOD's within comprehensive plans to also have a transit element that is supported by transit service and not "planned" to receive transit service as a means to meet concurrency goals. Until some density evolves in a TOD, transit dollars will not be maximized.

3. Complete Streets (Adequate Infrastructure) http://www.completestreets.org/faq.html

A. Legislative Opportunities and Authorities
  - Key Question: Is there an opportunity for a state level strategy for complete streets?
  - Is this a design level issue and/or retrofit issue/authority issue?
  - What is the scope; existing TODs or elsewhere?

B. Funding Considerations
- How would implementation occur? Funding? Is there a need for tool for to better fund complete streets?

C. Local Opportunities/Authorities
- Having complete streets goals, policies and plans adopted could be a requirement of GMA. It is likely that most jurisdictions have bike/trail plans and have identified street cross section design in public works standards.

4. Parking Incentives/Management

A. Legislative Opportunities and Authorities
- Should there be minimum/maximum parking thresholds at the state level? Regional Level?

B. Funding Considerations

- Parking management has traditionally been treated as a local issue and the T-4 subgroup felt the most promising options were thinking about parking management through market incentives. How can you use market forces to decrease demand for parking?
  - Tax credits for lower parking ratios
  - Recommendation – Publicize the cost of 'free parking' (i.e., ability to have better/more revenue generating units in the same building envelope).
- Charge the local going rate for parking (which reflects local land costs and supply and demand), and use the funds to support TMA activities, for complete street infrastructure improvements and pay commuters for using alternatives.
- Identify opportunities for funding incentives to developers who develop housing facilities that reduce or intercept traffic impacts on already overburdened major roadways. As noted – given the cost of structured parking (above grade $15,000 to $20,000/space; below grade $25,000 to $35,000 per space.)

C. Local Opportunities/Authorities

- Case Studies on successful implementations of 'climate friendly' parking management
- Opportunity to explore regional incentives - recommend piloting a regional parking discussion
- Provide training to help TOD's form Transportation Management Associations to work toward self sustaining parking management and commute trip reduction organizations.

5. Bike/Pedestrian Accessibility

A. Legislative Opportunities and Authorities

- Key Question: How do you codify and incentivize the creation of key bike/pedestrian elements as part of TOD?
  1. It's as easy to arrive by bike, foot or transit as by car. (Related to transportation system and complete streets)
  2. There is plentiful, safe bike parking.
  3. It's close to trail or on-street facilities.
  4. Work place TOD has showers, lockers, and bike/ped incentives.
  5. Multiple forms of transit are available with predictable, frequent levels of service.

B. Funding Considerations

- Can you develop a bike/pedestrian infrastructure grant program, i.e. covered bike parking Bike supportive amenity (racks, lockers, showers) can be required of infill development as a trade-off for decreased parking standards or for public sector responsibility for development or upgrade of street edges.

C. Local Opportunities/Authorities

- Local responsibilities: Bike and sidewalk improvements are – or could be - part of public works standards for different types of streets. Pedestrian improvements repair, or infill (completing sidewalk networks) could be considered part of the transportation network – and could also be considered part of the parks/recreation network. Most people get their exercise walking and the place they walk is in their neighborhood (TOD form will attract the most walkers) or from their home to a destination (i.e. school, activity center, transit connection) It is easy to make an argument that these areas should be the priority for completing sidewalk networks.

6. Urban Brownfield Redevelopment

A. Legislative Opportunities and Authorities

- None Discussed

B. Funding Considerations
- Opportunity for grant money to clean up sites, tax credits for rehabilitation and desired development
- Opportunities for tax credits to induce green development demonstration sites
- Reintroduce properties to tax rolls

C. Local Opportunities/Authorities
- Equivalent to "new land" found close in to existing population and infrastructure. Large sites offer many opportunities for development type/scale. Cities motivated to eliminate blight.
    - Example: Kent Station development at former Borden site, now Sounder train station in "new" downtown.

7. Breaking up Super Blocks (compacting street grid)
- Discussion not yet completed

8. Height/Density Management
- Discussion not yet completed

9. Mixed Use
- Discussion not yet completed

10. Key Non-TIWG Questions:
- Can you lower the development fees to encourage TOD? Examples of development fees include:
    - Impact fees: transportation, parks, school, fire (differs by jurisdiction). Rates set and can be adjusted based on location specific information (i.e. # of trips made by an activity center household (percent less than those outside of activity center). Also can exempt some areas but it is my understanding that if this is done the fees will need to be paid by the jurisdiction (due to the way the State impact fee law was written).
    - Engineering fees (including general facility charges (GFC), engineering permit fees
    - Building permit fees
    - Reducing or eliminating fees is one option. The other is to defer payment of fees to the end of the process (collect at occupancy or within a set amount of time of occupancy).
- Is there a need for a standardized density standard
    - There is a recognized minimum density needed to support transit service (see T-4 background paper that recommended 8-10 units/net acre (net defined as total area minus critical areas). This density should be basic and it must be defined to make sure that the required density is meaningful (using an agreed upon net density formula).
- Land Aggregation is incredibly important- How can Land Aggregation be streamlined? Incentivized? Evaluated?
    - The following are from notes from a project completed several years ago: Packaging and assembling land for development: An effective way to achieve development that is for sufficient size to be economically viable and spur a change in the land use pattern. Transit agencies have more flexibility in acquiring land for transit purposes than local governments. The WA constitution limits a public agency's land acquisition powers to identifiable public purposes. Some way local governments can help package and assemble land for development purposes: 1) Surplus public property may be returned to the private sector if it is developed to be supportive of transit (or some other policy objective like increasing the housing supply/density). 2) leasing land for private development may be used if the public entity wants to retain and interest in the property, preserve future public use options, or establish an income stream (share in the future benefits). 3) Selling publicly held land for private development. This last one is where education needs to occur in terms of what can be done – or a range of options for how to

handle this - that is legal. This is being done in many jurisdictions – city staff and administrators should be informed.

- Is there a need for an ombudsman process to help facilitate resolution of issues during the development process?
  - Could this be simply a best practice recommendation?